

CHAPTER 46
ALL-TERRAIN VEHICLE AND SNOWMOBILE BONDING

571—46.1(321G) Bond required before issuance of title or registration. If the county recorder or the department is not satisfied as to the ownership of the snowmobile or all-terrain vehicle or that there are no undisclosed security interests in the snowmobile or all-terrain vehicle, the recorder or the department shall require completion of the following procedure prior to issuing title and registration:

46.1(1) Identification. The applicant shall contact the department and provide the department with identifying information in regard to the all-terrain vehicle or snowmobile. The required identifying information shall include the vehicle or snowmobile identification number and such additional information as may be requested by the department. If no vehicle or snowmobile identification number is currently affixed, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed before the applicant may proceed with the application process set forth in this chapter.

46.1(2) Records search. Upon receipt of sufficient identifying information from an applicant, the department shall:

a. Search the state files to determine if there is an owner of record for the all-terrain vehicle or snowmobile and if the all-terrain vehicle or snowmobile has been reported stolen; and

b. Notify the applicant, orally or in writing, in regard to whether a record of prior ownership has been located and, if so, provide the name and last-known address of the owner of record.

46.1(3) Examination. At any time after being contacted by the applicant and before approval of an application, the department may examine the all-terrain vehicle or snowmobile.

46.1(4) Notice to owner of record. If the department finds a record of prior ownership in the state files, the applicant shall notify the owner of record at the owner's last-known address by certified mail, return receipt requested. The notice shall state that the owner of record may assert the owner's right to claim the all-terrain vehicle or snowmobile. If neither the applicant nor the department receives a response from the owner of record within ten days after receipt of notice or the post office returns the notice to the applicant as undeliverable or unclaimed, the department will continue processing the bond application.

46.1(5) Submission of application. The applicant shall submit an application on a form provided by the department. The application shall include a statement obtained from an Iowa-registered dealer for all-terrain vehicles or snowmobiles indicating the current value of the all-terrain vehicle or snowmobile. The following documents shall be submitted with the application form:

a. Photographs of the all-terrain vehicle or snowmobile which show the front, rear, and one side of the all-terrain vehicle or snowmobile.

b. The written ownership document received at the time that the all-terrain vehicle or snowmobile was acquired.

c. Satisfactory proof of the all-terrain vehicle or snowmobile identification number.

d. The undeliverable or unclaimed certified letter and envelope addressed to the previous owner or the signed certified mail receipt, if a record of prior ownership was located by the department.

e. A surety bond in an amount equal to one and one-half times the current value of the all-terrain vehicle or snowmobile.

46.1(6) Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the all-terrain vehicle or snowmobile may be registered and titled in Iowa.

46.1(7) *Disapproval.* If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the all-terrain vehicle or snowmobile, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s).

This rule is intended to implement Iowa Code section 321G.29.

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